

UNITED STATES DEPARTMENT OF JUSTICE
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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	CASE NO.
CAPCO ENERGY, INC. f/k/a AMCO PETROLEUM, INC.	§	08-32282-H2-11
CAPCO ASSET MANAGEMENT, INC.	§	08-32283-H2-11
CAPCO OPERATING CORPORATION	§	08-32284-H2-11
AMCO ENERGY, INC. f/k/a CAPCO OFFSHORE, INC.	§	08-32285-H2-11
CAPCO OFFSHORE OF TEXAS, INC. f/k/a AMCO OFFSHORE, INC.	§	08-32286-H2-11
PACKARD GAS COMPANY f/k/a AMCO OIL COMPANY	§	08-32288-H2-11
SOLANO WELL SERVICES, L.L.C.	§	08-32289-H2-11 (Chapter 11)
DEBTORS	§	Jointly Administered Under Case No. 08-32282-H2-11

**OBJECTION OF UNITED STATES TRUSTEE TO
RETENTION OF CRAIG CAVALIER AS COUNSEL FOR DEBTOR**

TO THE HONORABLE WESLEY W. STEEN
UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, the United States Trustee for the Southern District of Texas, by and through the undersigned counsel, who respectfully objects to the retention application of Craig Cavalier as general bankruptcy counsel and represents as follows:

I. Jurisdiction

1. The Court has jurisdiction to consider this matter under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b)(2)(A).
2. Charles F. McVay is the duly appointed United States Trustee for the Southern District of Texas (“UST”) under 28 U.S.C. § 581(a)(7).
3. Pursuant to 11 U.S.C. § 307, the UST has standing to appear and be heard on any issue in a case or proceeding under title 11.
4. Pursuant to 28 U.S.C. § 586(a)(3), the UST is statutorily obligated to monitor the administration of cases commenced under the Bankruptcy Code, 11 U.S.C. § 101 *et seq.* Specifically, the UST is charged with a number of supervisory responsibilities in reorganization bankruptcy cases under chapter 11 of the Bankruptcy Code, including monitoring the progress of such cases and taking such actions as the UST deems to be appropriate to prevent undue delay in such progress. 28 U.S.C. § 586(a)(G).

II. Factual Background

5. On April 7, 2008, the Debtors filed the application (Docket No. 9) to retain Craig Cavalier (“Cavalier”) as general bankruptcy counsel.
6. On April 10, 2008, the undersigned conferred with Cavalier about amending the application and affidavit to set forth “all of the person’s connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.” To date, no amendment has been filed.

III. Grounds for Objection

7. Fed. R. Bankr. P. 2014 requires that an applicant set forth in the application and affidavit the person’s connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee. The application and affidavit are deficient under Fed. R. Bankr. P. 2014 because it does not make the required disclosures.

IV. Relief Requested

WHEREFORE, the UST prays that this Court enter an order denying the retention application of Craig Cavalier, and for any and all further relief as may be equitable and just.

Dated: April 18, 2008

Respectfully Submitted,

CHARLES F. McVAY
UNITED STATES TRUSTEE

By: /s/ Hector Duran
Hector Duran
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CERTIFICATE OF CONFERENCE

I hereby certify that I conferred with Craig Cavalier, proposed counsel for the Debtors, on or about April 10 and 18, 2008, but the amendment to the retention application has not been filed to date.

/s/ Hector Duran
Hector Duran

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on the parties listed below and to parties requesting notice by United States Mail, first class, postage prepaid, or by ECF transmission or BNC noticing, on the 18th day of April, 2008.

/s/ Hector Duran
Hector Duran

DEBTORS:

Capco Energy, Inc.
1800 West Loop South, #1925
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PROPOSED COUNSEL FOR DEBTORS:

Craig Harwyn Cavalier
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